

Michael O. Leavitt Governor Ted Stewart Executive Director James W. Carter Division Director

State of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

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July 15, 1997

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TO:

Board of Oil, Gas and Mining

THRU:

Mary Ann Wright, Associate Director

THRU:

D. Wayne Hedberg, Permit Supervisor

FROM:

Tom Munson, Senior Reclamation Specialist

RE:

Request for Board Approval, Amount and Form of Reclamation Surety, Pearl Queen Perlite Corporation, Pearl Queen Perlite Mine, M/001/027, Beaver County, Utah

The Division seeks Board approval of the amount and form of reclamation surety provided by Pearl Queen Perlite Corporation for their Pearl Queen Perlite Mine, located in Beaver County, Utah. The form of surety is a \$36,300 Letter of Credit, number _____ with Key Bank National Association. Pearl Queen Corporation will quarry perlite ore using small scale strip mining methods and perform contemporaneous reclamation to keep the overall surface disturbance at approximately 10 acres. The perlite ore will be crushed on site and trucked to a millsite/loadout in Milford for further processing and transport to market.

The Division received a written protest during the public comment period raising a possible archeological concern. The Division is working with the operator and affected parties to resolve this concern before the July hearing. We recommend approval pending successful resolution of the public protest.

Attached for your review are copies of the following documents:

- 1. Summary checklist
- 2. Executive Summary
- 3. Location Map
- 4. Reclamation surety estimate
- 5. Reclamation Contract (Form MR-RC)
- 6. Reclamation Surety (Attachment B Letter of Credit)

Thank you for your time and consideration of this request.

jb Attachments M001027.brd